



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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March 4, 1998

John D. Hechtle
Stone Art Company
P.O. Box 35
Orem, Utah 84059

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, ML 46957 Project, S/001/044, Beaver County, Utah

Dear Mr. Hechtle:

Thank you for responding to our January 21, 1998 letter regarding your Notice of Intention to Commence Small Mining Operations. The completed Notice of Intention form was received by the Division on March 3, 1998. The application for the proposed ML 46957 Project, located in the NW1/4 of the NE1/4 of Section 16, T27S, R9W, SLBM, Beaver County, Utah is complete and no additional information is required at this time.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-1). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

A Memorandum of Understanding between this Division and the State Department of Environmental Quality (DEQ) requires us to notify them upon receipt of a mining application. If you haven't already done so, you are advised to contact their office prior to starting your small mining operation to determine whether additional permits and/or approvals are required. We will forward a copy of this letter and your notice to the DEQ for their review. Their address and phone number is: Department of Environmental Quality, 288 North 1460 West, Salt Lake City, Utah, 84116, (801) 538-6146.

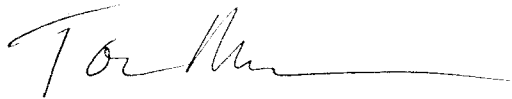
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Approval of mineral exploration or mining operations by the Division of Oil, Gas and Mining does not constitute approval to commence operations upon lands under state mineral leases/school sections administered by the School and Institutional Trust Lands Administration, or federal lands managed by the Bureau of Land Management (BLM) or United States Forest Service (USFS). Before conducting mining operations on these lands, the operator must provide written notification, meet bonding requirements, and obtain written approval from the appropriate agency. Please send us a copy of the approval letter you receive from SITLA before commencing operations.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Munson", with a long horizontal line extending to the right.

Tom Munson
Senior Reclamation Specialist

jb
Enclosure
cc: Kiran Bhayani, DWQ w/NOI
Roger L. Bon, UGS
Tracking File
S001044.noi